

REMARKS

The Office Action of June 18, 2004, has been carefully considered. Claims 1-42 are pending in the application. Claims 1, 4-6, 10, 14-15, 17, 19-22, 24-28, 30-34, 36-37, and 39-42 were rejected under 35 U.S.C. §103(a) as being unpatentable over Applicant admitted prior art (hereinafter referred to as admitted prior art). Claim 2 was rejected under 35 U.S.C. §103(a) as being unpatentable over the admitted prior art in view of U.S. Patent No. 6,130,911 to Lei (hereinafter referred to as the Lei reference). Claims 11-13, 16, 18, 23, 29, 35, and 38 were rejected under 35 U.S.C. §103(a) as being unpatentable over the admitted prior art in view of U.S. Patent No. 6,173,013 to Suzuki et al. (hereinafter referred to as the Suzuki reference). Claims 7-9 were allowed. Claim 3 was objected to as being dependent upon a rejected base claim.

In overview, by the present amendment, the rejections have been traversed in view of the following remarks. Claims 1, 3, 7, 9, 10, 15, 17, 19, 22, 23, 25, 28, 29, 31, 34, 35, 37, and 38 have been amended. Claims 43-53 have been added. The Applicant respectfully requests reconsideration and allowance of the subject application. This Amendment is believed to be fully responsive to all issues raised in the Office Action dated June 18, 2004.

Claim Rejections Under 35 USC §103(a)

Claims 1, 4-6, 10, 14-15, 17, 19-22, 24-28, 30-34, 36-37, and 39-42 were rejected under 35 U.S.C. §103(a) as being unpatentable over the admitted prior art. Claim 2 was rejected under 35 U.S.C. §103(a) as being unpatentable over the admitted prior art in view of the Lei reference. Claims 11-13, 16, 18, 23, 29, 35, and 38 were rejected under 35 U.S.C. §103(a) as being unpatentable over the admitted prior art in view of the Suzuki reference. For at least some of the reasons that

1 follow, Applicant respectfully disagrees that the subject matter of the above claims
2 is obvious given the admitted prior art and above cited references.

3 In overview, as stated in MPEP § 2143, to establish a prima facie case of
4 obviousness, three basic criteria must be met. First, there must be some
5 suggestion or motivation, either in the references themselves or in the knowledge
6 generally available to one of ordinary skill in the art, to modify the reference or to
7 combine reference teachings. Second, there must be a reasonable expectation of
8 success. Finally, the prior art reference (or references when combined) must teach
9 or suggest all the claim limitations. The teaching or suggestion to make the
10 claimed combination and the reasonable expectation of success must both be
11 found in the prior art, not in applicant's disclosure. In re Vaeck, 947 F.2d 488, 20
12 USPQ2d 1438 (Fed. Cir. 1991).

13 Further, as stated in MPEP § 2143.01, obviousness can only be established
14 by combining or modifying the teachings of the prior art to produce the claimed
15 invention where there is some teaching, suggestion, or motivation to do so found
16 either in the references themselves or in the knowledge generally available to one
17 of ordinary skill in the art. In re Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir.
18 1988); In re Jones, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). The mere
19 fact that references can be combined or modified does not render the resultant
20 combination obvious unless the prior art also suggests the desirability of the
21 combination. In re Mills, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990).

22 Therefore, "all words in a claim must be considered in judging the
23 patentability of that claim against the prior art." In re Wilson, 424 F.2d 1382, 165
24 USPQ 494, 496 (CCPA 1970). If an independent claim is nonobvious under 35
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1 U.S.C. 103, then any claim depending therefrom is nonobvious. In re Fine, 837
2 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

3 With this legal framework in mind, the Applicant traverses each of the
4 rejections.

5 **Claims 1, 4-6, 10, 14-15, 17, 19-22, 24-28, 30-34, 36-37, and 39-42**

6 Claims 1, 4-6, 10, 14-15, 17, 19-22, 24-28, 30-34, 36-37, and 39-42 were
7 rejected under 35 U.S.C. §103(a) as being unpatentable over the admitted prior art.
8 Claims 1, 10, 15, 17, 19, 22, 25, 28, 31, 34, 37, and 40 are independent claims.
9 The Applicant respectfully disagrees with this rejection based on at least one of
10 the following reasons.

11 Firstly, while the Applicant agrees with the Examiner that the cited art does
12 not teach encoding each macroblock, the Applicant respectfully disagrees with the
13 Examiner's contention that it would have been obvious to use macroblocks. The
14 Examiner has not cited any reference that teaches or suggests encoding at the
15 macroblock level. Thus, the Examiner can not now use the teachings of the
16 present invention to show obviousness.

17 Secondly, the Applicant respectfully disagrees that the admitted prior art
18 teaches or suggests selecting a coding mode for each macroblock in the
19 enhancement layers. In fact, the Examiner fails to cite any prior art with respect to
20 "selecting a coding mode for each macroblock" as recited in claim 1 and its
21 dependents or "using an INTER coding mode selected from a group
22 comprising..." as recited in claims 10, 15, 17, 19, 22, 25, 28, 31, 34, 37, and 40
23 and their dependents. Instead, the Examiner focuses on one coding mode, the
24 LPLR coding mode and contends that frame 24 in Figure 1 of the Applicant's
25 application teaches the entire limitation. The Applicant concedes, as stated in

1 paragraph 107 of the Applicant's application, that if each macroblock was encoded
2 with the LPLR mode, the result would be the same as the FGS scheme, which is
3 shown in Figure 1. However, the FGS scheme is frame based. Therefore, the
4 admitted prior art does not teach or suggest encoding each macroblock nor does it
5 teach or suggest selecting a coding mode for each macroblock as recited in the
6 claims. In addition, claim 1 now recites, "wherein at least two of the coding
7 modes are utilized to produce the second bitstream". Therefore, this limitation
8 reaffirms the limitation that different coding modes are selectively used for
9 different macroblocks.

10 Lastly, the Examiner has failed to cite any prior art that teaches the HPLR
11 coding mode where the reference used for prediction is different than the reference
12 used for reconstruction. In fact, the Examiner has failed to cite any prior art that
13 teaches or suggests the various coding modes that differ with respect to the
14 references that are used for prediction and reconstruction.

15 Thus, for at least one of the above reasons, the Applicant contends that
16 admitted prior art, whether considered alone or with any permissible combination
17 of prior art of record, does not teach or suggest each limitation recited in
18 independent Claims 1, 10, 15, 17, 19, 22, 25, 28, 31, 34, 37, and 40. In addition,
19 some of the independent claims include other limitations that are not taught or
20 suggested by the prior art of record. Therefore, the Applicant respectfully submits
21 that the §103 rejections of Claims 1, 4-6, 10, 14-15, 17, 19-22, 24-28, 30-34, 36-
22 37, and 39-42 is improper, and respectfully requests reconsideration and
23 withdrawal of this rejection.

24 In addition, the dependent claims include other limitations that are not taught
25 or suggested by the prior art of record. Therefore, for at least the above reasons,

1 Applicant respectfully submits that the §103 rejections of Claims 4-6, 14, 20-21, 24,
2 26-27, 30, 32-33, 36, 39, and 41-42 is improper, and respectfully requests
3 reconsideration and withdrawal of this rejection.
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5 **Claim 2**

6 Claim 2 was rejected under 35 U.S.C. §103(a) as being unpatentable over
7 the admitted prior art in view of the Lei reference. However, as discussed above,
8 the admitted prior art fails to teach or suggest several limitations.

9 In addition, the Applicant agrees with the Examiner that the prior art,
10 including the Lei reference, fails to explicitly teach selecting the coding mode
11 “based upon a derivation that uses the estimated drifting information” as recited in
12 Claim 2. The Examiner recites a statement in the Lei reference regarding how the
13 Lei reference reduces error drift and thereby maintains high picture quality. The
14 Applicant acknowledges that reducing error drift is not in and of itself a new
15 concept. However, the Applicant respectfully submits that the manner in which
16 the error drift is reduced in the present application is not taught or suggested in the
17 prior art of record.

18 Thus, even if both of these references could be combined, their teachings
19 could not possibly suggest the present invention. In addition, there is no
20 suggestion or motivation to combine these references.

21 Thus, the Applicant contends that the admitted prior art, whether
22 considered alone or with any permissible combination with the prior art of record,
23 including the Lei reference, does not teach or suggest each limitation recited in
24 Claim 2. Therefore, the Applicant respectfully submits that the §103 rejection of
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1 Claim 2 is improper, and respectfully requests reconsideration and withdrawal of
2 this rejection.

3
4 **Claims 11-13, 16, 18, 23, 29, 35, and 38**

5 Claims 11-13, 16, 18, 23, 29, 35, and 38 were rejected under 35 U.S.C.
6 §103(a) as being unpatentable over the admitted prior art in view of the Suzuki
7 reference. However, without repeating all the arguments discussed above, the
8 admitted prior art fails to teach or suggest several limitations.

9 Thus, even if both of these references could be combined, their teachings
10 could not possibly suggest the present invention. In addition, there is no
11 suggestion or motivation to combine these references.

12 Thus, the Applicant contends that the admitted prior art, whether
13 considered alone or with any permissible combination with the prior art of record,
14 including the Suzuki reference, does not teach or suggest each limitation recited in
15 Claims 11-13, 16, 18, 23, 29, 35, and 38. Therefore, the Applicant respectfully
16 submits that the §103 rejection of Claims 11-13, 16, 18, 23, 29, 35, and 38 is
17 improper, and respectfully requests reconsideration and withdrawal of this
18 rejection.

19
20 **New Claims**

21 New Claims 43-53 are added herein. Applicant respectfully submits that
22 Claims 43-53 are allowable for at least the reasons discussed above.

1 **Allowed Claims**

2 The Examiner allowed Claims 7-9. While the Applicant amended the
3 preamble to Claim 7, this amendment should not adversely affect the patentability
4 of the allowed claims. Therefore, Applicant acknowledges that Claims 7-9 are
5 allowed over the prior art of record.
6

7 **Conclusion**

8 Applicant has considered the other references cited by the Examiner in the
9 Office Action. None of these references appear to affect the patentability of
10 Applicant's claims. By the foregoing remarks, Applicant believes that pending
11 claims 1-53 are allowable and the application is in condition for allowance.
12 Therefore, a Notice of Allowance is respectfully requested. Should the Examiner
13 have any further issues regarding this application, the Examiner is requested to
14 contact the undersigned attorney for the Applicant at the telephone number
15 provided below.
16

17 Respectfully Submitted,

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